SENATE	TRIATER
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	SR-559

BEER TAX INCREASE -- MONTANA?

1.	Montana's economy receives a major boost from the beer
	industry: growing barley and malting barley.

- 2. In 2004, 23 states considered increasing the excise tax on beer with no bills passing. Historically, very few states raise the beer tax in any given session.
- 3. Do not give the "Beer is Good Economy" theme which is developing in Montana a black eye by being one of a very few states (if any) which pass any increase.
- 4. Montana's excise tax level is right in line with neighboring and western states.
- 5. More than 40% of a beer's retail price is taxes.
- 6. Higher taxes may cause responsible drinkers to buy less beer, but won't deter those who are underage or dangerous.
- 7. What "nexus" or connection is there between taxation of beer drinkers and medical treatment for children? Even if there were a connection, "ear-marking" tax policy is disfavored.
- 8. We are in a session of surplus: There was no increase in beer taxes last session with a deficit(despite two bills to raise alcohol taxes). So, why now?
- 9. Governor Schweitzer has said "No new taxes."